

# Memorandum

To: Panel Members Date: October 24, 2002

From: Diana Torres, Manager Analyst: R. Negrete  
Peter DeMauro, General Counsel

Subject: One-Step Agreement for **Educational Services, LLC, d.b.a. Advanced College of Technology**  
(www.atechnicalcollege.com)

## **CONTRACTOR:**

- Multiple Employer: Training Agency
- Training Project Profile: Retraining: companies with out-of-state competition
- Legislative Priorities: Stimulating Exports / Imports  
Promotion of California's Manufacturing Workforce
- Type of Industry: Manufacturing Services
- Repeat Contractor: No
- Union Representation: No
- Name and Local Number of Union representing workers to be Trained: N/A

## **CONTRACT:**

- Program Costs: \$184,000
- Substantial Contribution: \$0
- Multiple Employer Support (8%) \$12,720
- Total ETP Funding: \$196,720
- In-Kind Contribution: \$283,500
- Maximum Contractor Charge: \$0 per trainee
- Reimbursement Method: Fixed-Fee
- County(ies) Served: San Diego
- Duration of Agreement: 24 months

**SUBCONTRACTORS:**

N/A

**THIRD PARTY SERVICES:**

Applicant representatives state that no consultant services were used in the development of the Application.

**NARRATIVE:**

Educational Services, LLC d.b.a. Advanced College of Technology (ACT) was founded in 1985 as Advanced Job Training in Chula Vista, California. In 1996, it moved to San Diego and now operates as Advanced College of Technology. It is a private, for profit training school which is approved by the Bureau of Private, Postsecondary and Vocational Education to provide Computer Systems Technology, Telecommunications Technology, Network Administration and Engineering Technology, and Fiber Optics training. It provides training for San Diego manufacturing, electronics, and telecommunications companies. In addition, ACT is a training provider for and receives funds from the San Diego Workforce Partnership (local Workforce Investment Board), Vocational Rehabilitation, and the Veterans Administration. However, none of these funding sources will be used in this Agreement. ACT's corporate headquarters, main training facility and a second San Diego training facility train about 250 individuals per year.

**Employer Demand**

ACT proposes two types of Advanced Technology training for manufacturing, information technology and electronics/telecommunications companies. The targeted participating employers, primarily with 250 employees or less, are located throughout San Diego County.

Manufacturing and Information Technology (IT) companies are moving to the Windows 2000 operating system. The majority of IT companies use Microsoft operating systems including Windows 95, Windows 98, Microsoft NT 4.0 and WIN2000. In addition to Microsoft, all participating employers in this proposal also use other servers such as UNIX, Structured Query Language, and Net as their operating systems and various routers in their networks. Since the Microsoft operating system alone can't support the needs of every company, these other servers are utilized to suit the employer's specific needs. The proposed training will provide 110 network administrators and other IT staff working in company IT departments the necessary skills and knowledge needed to administer servers normally provided by expensive IT consultants. Upon the completion of training, employers will be able to perform related networking and server functions in-house instead of depending on the services of outside consultants.

**NARRATIVE:** (continued)

**Employer Demand**

The proposed training for the remaining 50 retrainees consists of Fiber Optics and Digital Interconnect training for electronics/telecommunications companies that are shifting from copper to fiber optics, and adopting digital interconnect systems. Data and voice transmission changes in the telecommunication industry include Analog to Digital, Integrated Services Digital Network, Asynchronous Transfer Mode, and Digital Subscriber Line. The training includes updated training in splicing, integration, testing, optical time domain reflectometer applications and connecting techniques. Participating employers will be able provide their employees updated job skills to respond to changing fiber optics and digital interconnect technology.

**Marketing Plan**

ACT has a database of 385 companies for whom it has provided training in the past or with whom it has placed program graduates. From this database, ACT marketing and technical staff conducted a labor market training needs analysis, including telephone surveys of manufacturing, electronic/telecommunications and IT companies in the San Diego area. Interested employers requested additional information and ACT staff contacted each employer to begin the recruitment process. After identifying ETP-eligible employers, ACT staff began the development of the ETP training proposal.

**Participating Employer Eligibility**

All participating employers are in the Manufacturing, Electronics/Telecommunications and IT industries, and had no more than a 20 percent turnover rate in calendar year 2001. All participating employers meet the Panel's out-of-state competition requirement and are deemed eligible for ETP funding in accordance with Title 22, California Code of Regulations, Section 4416 (a) (1), (2), (3) and (4) or (b). Participating employers either

- produce a product sold out of state; and/or
- produce a product sold in-state which competes with products produced out of state; and/or
- provide a service out-of-state; and/or
- provide a service in the state in competition with providers of the same service that are located outside the state; or
- are engaged in manufacturing.

**NARRATIVE:** (continued)

**Employer Participation in Curriculum Development and Employer Feedback**

After conducting an overall assessment of local companies in the aforementioned industries, ACT staff identified specific training needs for the targeted participating employers. Based on the results of the individual company assessments and stated employer demands, ACT staff developed an Advanced Technology Curriculum with input from participating employers. The Advanced Technology Curriculum is in specialized areas and specific occupations in the IT, fiber optics, and digital interconnect fields.

The training plan consists of Advanced Technology Training for 160 retrainees. Jobs 1 and 2 (110 retrainees) will receive 40 or 80 hours of Class/Lab training in Microsoft Windows NT Server, Administering Microsoft Structured Query Language Server, Administering UNIX and UNIX Like Servers, Microsoft Windows NET Servers, and Router Technology. Jobs 3 and 4 (50 retrainees) will receive 40 or 80 hours of Class/Lab training in Fiber Optics in Communication Cabling and Digital Interconnect training. All Class/Lab training will be provided at ACT's San Diego training facilities.

ACT has a Business Development/Compliance Officer who conducts quarterly surveys of participating employers regarding training effectiveness. In addition, a Class Evaluation Form is completed by all trainees who complete any ACT training program. Completed surveys are forwarded to the two ACT Technical Directors for review and evaluation. ACT Curricula are revised accordingly to maximize the effectiveness of all ACT training programs.

ACT has two Employer Advisory Boards consisting of employers and experienced professionals in the Telecommunications and Network/IT industry. The advisory boards meet twice a year, and provide ACT direction in meeting industry needs with evolving technology and new equipment requirements. All classes will be comprised of 100 percent ETP trainees.

**Center-Based Training**

Center-based retraining MEC's must provide training that is customized to the requirements of individual employers, or group of employers in a specific industry. To accomplish this, the MEC must conduct formal assessments of participating employers' training needs and design the curricula based on the assessments. The assessment results may include a curriculum design limited to employers in a discrete industry, or training that is substantially job-specific for the participating employer's unique needs. Formal assessments must be available for review by ETP monitors.

**NARRATIVE:** (continued)

**Center-Based Training**

ACT requires the active involvement of each participating employer in customizing their curricula to meet the individual employer's and retrainee's training needs. ACT technical staff conduct a minimum of two meetings with participating employer IT Managers, Human Resources Managers, and/or Vice Presidents of Operations to assess employer training needs.

ACT technical staff use an ACT developed assessment tool and the ACT Customized Training Needs Form (CTNF) to evaluate the employer's business operations, identify the employer's strategic objectives, changing equipment and technology needs. During the training needs assessment, participating employers select specific topics which are customized to both the industry and job skill training needs. The menu curriculum reflects practical and theoretical projects developed from employer provided information which ACT technical trainers use to develop customized curriculums. As a result, the retrainees will be provided customized training and will be able to transfer the new skills immediately to the job sites and to fulfill the employer's job skill training requirements. A company-specific customized curriculum is developed after the completion of the CTNF, which includes specific training courses in networking, fiber optics, and/or telecommunications directly related to specific job functions within the company.

The CTNF also allows each employer to identify company employees who will be enrolled in training. The final step in the assessment and training development process is the development of a training schedule that will have the least impact on company operations while trainees are in training.

For the Information Technology, Fiber Optics and Digital Interconnect training (Computers, Networks, Telecommunications and Electronics), 85 percent of the job skills and knowledge required of each retrainee is consistent with the industry, regardless of the employer, and is customized to industry standards. Therefore, the core material in the ACT customized curricula represents 85 percent of the participating employers job skills training requirements. Consequently, 15 percent of the class material is specific to a company and time in the class session is allocated to specific company trainees on specific applications as specified by the employer. The trainer to trainee ratio is 1:10.

ACT has met the Center-based training requirements because the specific training needs of each employer have been assessed and the training and delivery is designed around a discrete industry.

### **Supplemental Nature of Training**

The ETP-funded training will supplement training that is currently provided at the employer's expense. Participating employers have primarily provided training on an ad hoc basis in response to changing technology in the computer, information technology and electronics/telecommunications industries. Ad hoc training has made it difficult to close the skills gap for current employees. ETP-funded training will enable participating employers to supplement training efforts to enable employees to keep up with the rapidly changing pace of innovation in the IT, fiber optics and digital interconnect technology area.

### **Advanced Technology Training**

ACT has requested that the Panel approve the Advanced Technology training reimbursement rate of \$20 per hour for the proposed network technology and electronics/telecommunication training. This type of training is very complex and highly technical, with the use of sophisticated equipment and specialized software. It normally costs approximately \$525 per day, which translates into an hourly rate of \$65 per hour. ACT was able to reduce its training costs to the ETP Advanced Technology training reimbursement rate of \$20 per hour by using a 1:10 trainer to trainee ratio, instead of the corporate training ratio of a 1:5 trainer to trainees used by some schools; and using in-house trainer's time, facilities and equipment for other training not included in the ETP contract.

### **Quantifiable Commitment to Training**

Projected participating employers' in-kind contributions total \$276,000 consisting of wages and fringe benefits for trainees while in training. In addition, ACT projects that it will incur costs of \$7,500 for staff to administer this project, in excess of the ETP administrative and 8 percent multiple employer support reimbursement. The total participating employer and Contractor in-kind contribution is \$283,500.

### **Mandatory Nature of Training**

The initial core group of participating employers state that training is mandatory, "on the clock", and will be provided during regular business hours.

## **COMMENTS**

### **Frontline Workers**

ACT staff state that 99 percent of the retrainees in this proposal meet the definition of frontline worker as defined in Title 22, California Code of Regulations, Section 4400 (ee) (1) and (3). The remaining one percent of the retrainees will be Local Area Network/Information Security Managers.

**PROPOSED ACTION:**

Staff recommends that the Panel approve this One-Step Agreement if funds are available and the project meets Panel priorities. This recommendation is based on Educational Services, LLC, d.b.a. Advanced College of Technology's intention to assist ETP-eligible San Diego manufacturing, information technology and electronics/telecommunications companies in the retraining of their employees. Through this retraining, participating employers will be able to stay current with evolving innovation in the IT, fiber optics and digital interconnect areas, increase company operating efficiencies, and ensure their viability as employers in the California economy.

**TRAINING PLAN:**

<b>Grp/Trainee Type</b>	<b>Types of Training</b>	<b>No. Retain</b>	<b>No. Class/Lab Hours</b>	<b>No. SOST Hours</b>	<b>Cost per Trainee</b>	<b>Hourly Wage after 90 days</b>
<b>Retrainees</b>						
Job Numbers 1 - 2	Advanced Technology	110	40 - 80	-0-	\$855 - \$1,711	\$13.85 - \$40.10
Job Numbers 3 - 4	Advanced Technology	50	40 - 80	-0-	\$855 - \$1,711	\$14.10 - \$33.75
						<b><u>Range of Hourly Wages</u></b> \$13.85 - \$40.10
						<b><u>Prevalent Hourly Wage</u></b> \$15.00
						<b><u>Average Cost per Trainee</u></b> \$1,230
<b><u>Health Benefits used to meet ETP minimum wage:</u></b> N/A				<b><u>Turnover Rate</u></b> Varies by participating employer , but all are 20 percent or less		<b><u>% of Managers to be trained</u></b> 1%



ADVANCED COLLEGE OF TECHNOLOGY  
COMPUTER SKILLS  
CURRICULUM

Hours  
Class/Lab

40 Hours - Job 1

80 Hours - Job 2

Microsoft Windows NT Servers

NT Compared to Win 2000 and .NET

User and Group Operations

Security Issues

Filer Server Operations

Application Server Operations

Back up Operations

Using NT in a WIN 2000 Network

Administering MS SQL Servers

SQL Server Basics

Flat Verses Relation Database

Database Design

Security Issues

Interactive Database

Database access via CGI, PERL and Java

Backup operations

Administering UNIX and UNIX-Like Servers

UNIX Basics

Sun Solaris Basics

Free BSD Basics

Linux Basics

Security Issues

Linux Installation And Configuration

Unix in a Multi server Environment

ADVANCED COLLEGE OF TECHNOLOGY  
COMPUTER SKILLS  
CURRICULUM

Microsoft Windows .NET Servers

NET Server  
NET Server Compared to WIN 2000  
Active Directory Support  
Security Issues  
File Server Operations  
Application Server Operations

Router Technology

OSI Issues  
Layer 2 And 3 Addressing  
Router Basics  
Basic Router Configurations  
Advanced Router Configuration  
Fault Tolerances

ADVANCED COLLEGE OF TECHNOLOGY  
ELECTRONICS/TELECOMMUNICATION  
TRAINING  
CURRICULUM

Class/Lab  
Hours

40 hours - Job 3

80 hours- Job 4

Fiber Optics in Communication and Network Cabling

Overview of Fiber Optic and Characteristics

Fiber Optics System Integration

Test Equipment and Troubleshooting Methodology

Optical Time Domain Reflectometer (OTDR) Application, Theory and Documentation

Power Meter Test Equipment and Documentation

Digital Interconnect

Analog to Digital Conversation

Integrated Services Digital Network (ISDN)

Digital Subscriber Line (DSL)

Asynchronous Transfer Mode (ATM)

Synchronous Optical Network (SONET)

Wavelength Division Multiplexing (WDM)

Dense Wavelength Division Multiplexing (DWDM)

**Participating Employers in Retrainee/New Hire  
Multiple Employer Contracts**

**Contractor's Name:** Educational Services, LLC dba Advanced College of Technology

CCG No.:ET03-0179

Reference No:02-0468

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PRINT OR TYPE

Company: Activix Bioscience, Ind.

Address: 11025 North Torrey Pines Road, Suite 120

City, State, Zip: La Jolla, CA 92037-0397

Contact Person/Title: Joe Zou, Director of Bioinformatics

Telephone No.(858) 526-2515

Collective Bargaining Agreement(s): N/A

Estimated #of employees to be retrained or hired under this Agreement: 4

Total # of full-time company employees worldwide: 56

Company: Anacomp

Address: 12365 Crosthwaite Circle

City, State, Zip: Poway, CA 92064

Contact Person/Title: John Wohlfiel, Human Resources Manager

Telephone No.(858) 848-5627

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained or hired under this Agreement: 50

Total # of full-time company employees worldwide: 1,900

Company: Applied Digital Access, Inc.

Address: 9855 Scranton Road

City, State, Zip: San Diego, CA 92121-1765

Contact Person/Title: Greg Helwig, IT Manager

Telephone No.: (619) 535-6595

Collective Bargaining Agreement(s):N/A

Estimated # of employees to be retrained or hired under this Agreement:4

Total # of full-time company employees worldwide: 4,200

**Participating Employers in Retrainee/New Hire  
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PRINT OR TYPE

Company: Cabling Solutions & Installations, Inc.

Address: 4901 Morena Boulevard, Suite 13

City, State, Zip: San Diego, CA 92117

Contact Person/Title: Mary Eugenio, Vice President

Telephone No.: (858) 483-2188

Collective Bargaining Agreement(s): N/A

Estimated #of employees to be retrained or hired under this Agreement: 3

Total # of full-time company employees worldwide: 5

Company: EDP Products, Inc.

Address: 9750 Appaloosa Road

City, State, Zip: San Diego, CA 92131-1601

Contact Person/Title: Duane Hendrickson, Network Administrator

Telephone No.: (858) 572-3500

Collective Bargaining Agreement(s):N/A

Estimated # of employees to be retrained or hired under this Agreement: 2

Total # of full-time company employees worldwide: 25

Company: Honor Marine Communications, Inc.

Address: 2120 Main Street

City, State, Zip: San Diego, CA 92113-2218

Contact Person/Title: Scott Larosh, Vice President

Telephone No.(619) 233-7666

Collective Bargaining Agreement(s):N/A

Estimated # of employees to be retrained or hired under this Agreement: 3

Total # of full-time company employees worldwide:10

**Participating Employers in Retrainee/New Hire  
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PRINT OR TYPE

Company: ID Services, Inc.

Address: 57254 Kearney Villa Road, Suite E

City, State, Zip: San Diego, CA 92123

Contact Person/Title: Doug Peterson, President

Telephone No.: (858) 569-0691

Collective Bargaining Agreement(s):N/A

Estimated #of employees to be retrained or hired under this Agreement: 1

Total # of full-time company employees worldwide: 5

Company: Jones Broadband International

Address: 4120 Avenida De La Plata

City, State, Zip: Oceanside, CA 92056-6002

Contact Person/Title: Robert Hernandez, Chief Technician

Telephone No.(760) 397-2324

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained or hired under this Agreement: 6

Total # of full-time company employees worldwide: 25

Company: MTS Technologies, Inc.

Address: 5333 Mission Center Road, Suite

City, State, Zip: San Diego, CA 92108

Contact Person/Title: Michael Anderson Senior Systems Engineer

Telephone No.: (619) 725-5062

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained or hired under this Agreement: 6

Total # of full-time company employees worldwide: 250

**Participating Employers in Retrainee/New Hire  
Multiple Employer Contracts**

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Reference No:02-0468

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PRINT OR TYPE

Company: Prime Services Group, Inc.

Address: 300 Enterprise Street, Suite C

City, State, Zip: Escondido, CA 92029

Contact Person/Title: Bruce Wilson, Operations Manager

Telephone No.(760) 741-5039

Collective Bargaining Agreement(s): N/A

Estimated #of employees to be retrained or hired under this Agreement: 5

Total # of full-time company employees worldwide: 300

Company: Pulse Engineering, Inc.

Address: 12220 World Trade Drive

City, State, Zip: San Diego, CA 92128

Contact Person/Title: Ken Paqua, IT Manager

Telephone No.(858) 674-8286

Collective Bargaining Agreement(s):N/A

Estimated # of employees to be retrained or hired under this Agreement: 6

Total # of full-time company employees worldwide: 5,000

Company: RF Industries, Ltd.

Address: 7610 Miramar Road, Suite 6000

City, State, Zip: San Diego, CA 92126

Contact Person/Title: Maryann Jones, IT Manager

Telephone No.: (619) 549-6340

Collective Bargaining Agreement(s):N/A

Estimated # of employees to be retrained or hired under this Agreement: 2

Total # of full-time company employees worldwide: 50

**Participating Employers in Retrainee/New Hire  
Multiple Employer Contracts**

PRINT OR TYPE

Contractor's Name: Educational Services, LLC dba Advanced College of Technology

CCG No.: ET03-0179

Reference No:02-0468

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Company: Tekworks, Inc.

Address: 7960 Silverton Avenue, Suite 113

City, State, Zip: San Diego, CA 92126

Contact Person/Title: Rene Rosales, Operations Manager

Telephone No.: (619) 571-3930

Collective Bargaining Agreement(s):N/A

Estimated #of employees to be retrained or hired under this Agreement: 3

Total # of full-time company employees worldwide: 14

Company: Trigild Technology, Inc.

Address: 12555 High Bluff Drive, Suite 330

City, State, Zip: San Diego, CA 92123

Contact Person/Title: Rick Risner, Executive Vice President and Chief Operating Officer

Telephone No.: (858) 720-6700

Collective Bargaining Agreement(s): NA

Estimated # of employees to be retrained or hired under this Agreement: 1

Total # of full-time company employees worldwide: 9

Company:

Address:

City, State, Zip:

Contact Person/Title:

Telephone No.:

Collective Bargaining Agreement(s):

Estimated # of employees to be retrained or hired under this Agreement:

Total # of full-time company employees worldwide: